

**CITY OF LODI
INFORMAL INFORMATIONAL MEETING
"SHIRTSLEEVE" SESSION
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, JANUARY 30, 2007**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, January 30, 2007, commencing at 7:01 a.m.

A. ROLL CALL

Present: Council Members – Hansen, Hitchcock, Katzakian, Mounce, and Mayor Johnson

Absent: Council Members – None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

B. TOPIC(S)

B-1 "Railroad Avenue Affordable Housing Project"

Mayor Johnson requested an opinion from the City Attorney regarding the matter being heard by the City Council and/or individual members of the Council. City Attorney Schwabauer provided an overview of conflicts that may arise from the City Council's review of legislative and quasi-judicial matters. He stated there is no conflict of interest per the Fair Political Practices Commission (FPPC) standards, which are generally financial in nature. Mr. Schwabauer also stated it is possible there may be a conflict if a quasi-judicial hearing was to come before Council. He stated there is no conflict in the matter being heard by the Council, and/or individual members, in a non-quasi-judicial informational session where action is not being taken.

City Manager King briefly introduced the subject matter of the Railroad Avenue Affordable Housing Project.

Community Development Director Randy Hatch provided an overview of the subject. Specific topics of discussion included the housing element, numbers associated with low and moderate incomes, affordable housing including rentals and home purchases, units in new construction, housing element objectives and compliance, and meeting the housing needs of special groups.

In response to Council Member Hitchcock, Mr. Hatch stated the median income is approximately \$55,000. He stated very low and low income is generally \$35,000 to \$38,000, which is approximately 50% of the median income, and the moderate income is generally 80% to 120% of the median income. Mr. Hatch stated the numbers are formulated based on a sliding scale and usually \$65,000 or less is categorized as affordable housing.

In response to Council Member Hansen, Mr. Hatch stated that affordable housing covers both rental properties and the purchase of new homes.

Mayor Pro Tempore Mounce inquired about the number of affordable units in the Reynolds Ranch and Southwest Gateway projects. Mr. Hatch stated there are approximately 120 units consisting of both senior housing and single-family residential.

In response to Council Member Hansen, Mr. Hatch stated in the current housing element there are 30 moderate units and 12 low units. He stated the 550 number includes new construction and very low housing has been subsidized with down payment assistance. Mr. Hatch also stated they have worked with the Loel Center and Habitat for Humanity in trying to meet affordable housing needs.

In response to Mayor Johnson, Mr. Hatch stated the City of Lodi has an approved housing element, which only 60% of the cities have. He also stated that meeting 10% to 15% of the objectives is pretty standard among various communities.

Community Improvement Manager Joseph Wood provided a presentation (filed) regarding the specific Kentucky House Project. Topics of discussion included enforcement activity by the Community Development and Public Works departments, private investment efforts in the area, City's right of first refusal, railroad property appraisal of approximately \$1.5 million, the request for proposals, affordable housing developers in Northern California, preference for single-family homes, proposal response variations from interested developers, and the procedure associated with the same.

In response to Council Member Hansen, Mr. Hatch stated program income ranges from \$330,000 to \$1.2 million, which includes approximately \$700,000 from current program income. He stated developers are looking at various options including an affordable ownership project, a mixed-use project, and a project that best fits the suitability of the property and surrounding area.

In response to Mayor Johnson, Mr. Hatch stated the \$700,000 amount must be used for housing purposes and could be applied to the down payment assistance program.

In response to Council Member Hitchcock, Mr. Hatch stated the Council will have an opportunity to consider development options when they are presented at another study session before making a decision at a Council meeting.

Mayor Pro Tempore Mounce stated she agreed with Council Member Hitchcock that it would be beneficial to research projects by the developers, including site visits, and urged the Council to consider long-term effects of projects as related to blight and crime. Ms. Mounce provided examples of criminal activity on Locust Street and stated healthy neighborhoods generally consist of both owner-occupied and rental properties.

Council Member Hansen stated there is a housing need for elderly senior women and the Loel Center is looking forward to partnering with the proposed project, which can bring about positive change in the neighborhood. Mr. Hatch affirmed that the \$1.2 million does fall into the 80/20 parameters.

City Manager King provided details of the request for proposals, scheduling, financials, and the general proposal evaluation process.

In response to Council Member Hansen, Mr. Wood stated the City does not own any of the land for the proposed project.

Mayor Pro Tempore Mounce suggested looking at a lot on Garfield Street for senior housing.

C. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

- Myrna Wetzel commended Rob Lechner of the Electric Utility Department regarding his responsiveness to her request for information.

D. ADJOURNMENT

No action was taken by the City Council. The meeting was adjourned at 8:07 a.m.

ATTEST:

Randi Johl
City Clerk



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Railroad Avenue Affordable Housing Project

MEETING DATE: January 30, 2007

PREPARED BY: Community Development Director

RECOMMENDED ACTION: Consider presentation of the Railroad Avenue affordable housing project.

BACKGROUND INFORMATION: The purpose of Shirtsleeve presentation is to inform the Council of the status of the Railroad Avenue Affordable Housing Project that is located along the former Union Pacific Railroad right of way in the vicinity of Railroad Avenue and Lockeford Street (map attached). Included in the presentation will be the reason why the Council has chosen to pursue an Affordable Housing Project; the process underway to identify a suitable private party developer; the type of development that might be proposed; and an advance outlook on the future actions the Council will need to take. Questions, comments, and concerns are welcomed.

The demand for affordable housing in Lodi has been documented in the 2003-2009 Lodi Housing Element. In that document, it was noted that there is a shrinking supply of affordable rental housing for lower-income households, as well as a declining ownership opportunity for low- and moderate-income households. As a result, the low-income, the senior citizen, and the disabled population groups have become particularly vulnerable to the rise in housing costs, overpayment, overcrowding, and the potential for living in substandard housing.

In order to meet these special housing needs, the City has committed to facilitate the development and operation of affordable housing by continuing to implement zoning standards, provide regulatory incentives, work with nonprofit and other private housing providers, and to provide financial assistance within the City's limited fiscal capacity.

For example, the City has provided CDBG and HOME Program funding to the LOEL Senior Center for them to acquire properties that have been rehabilitated and used for senior housing, to Lodi House for the acquisition of a home for use as a shelter for women and children, to the Housing Authority for the creation of transitional housing in conjunction with Lodi House, and to Habitat for Humanity for new affordable housing units. In addition, the City has a long-standing Housing Assistance Program through the CDBG/HOME Program that provides low-interest, down-payment assistance to low-income, first-time homebuyers.

Most recently, in our 2006-07 CDBG Program year, \$330,000 was allocated specifically for an affordable housing project. The focus of that funding has been toward a potential project on land owned by Union Pacific Railroad (UP), located between Railroad Avenue and Lockeford Street.

APPROVED: 
Blair King, City Manager

The City has first right to acquire this land from UP and in recent years, as part of the negotiation for the removal of the railroad tracks from East Lodi Avenue, the railroad spur on the subject property, referred to as the Kentucky House line, was deactivated and deemed surplus, and thereby available for the City to purchase.

Originally, the discussions with UP were focused on just two parcels located at the north end of Rush Street, which represent just a small portion of the entire UP property available. Those two parcels owned by UP, and several of the adjacent properties on Rush Street have been the subject of on-going code enforcement abatement action due to substandard housing and illegal dumping. Then-Community Development Director Rad Bartlam was interested in attracting one of the local affordable housing developers to acquire and develop those two UP properties in order to jump-start the rehabilitation of that entire neighborhood. It was during that time when the concept of expanding the scope of the affordable housing development on those properties to cover the entire UP property, from Washington Street to Cherokee Lane, was considered.

For UP to consider sale of more than just the two parcels that were originally under consideration, they advised that they would need to have the land appraised, and they initiated that process. In the course of having that appraisal done, UP also went about removing the railroad tracks and graded the property accordingly. Through this entire time, the properties have been an on-going source of blight and nuisance as illegal dumping occurs regularly up and down the length of the property.

In June of 2005, the appraisal was complete and was provided to the City, with a fee simple market value of \$1,495,000 for the land involved in the proposed affordable housing project. In the course of Staff's subsequent review of the appraisal and discussion of available options, the Community Development Director position was vacated by Mr. Bartlam and subsequently filled by Randy Hatch. Staff brought him up-to-speed on this project and direction was given to identify potential sources of funding for such a project.

In the course of reviewing the original two-parcel project, local affordable housing developer ACLC (Asociación Campesina Lázaro Cárdenas), had identified State-funding sources for such a project. In addition, we confirmed that CDBG funds would be eligible for an affordable housing project. In addition to the annual CDBG allocation that is received by the City, there is also HOME funds set-aside each year that are eligible to Community Housing Development Organizations (CHDO). These funds are available only to local housing developers that are certified as a CHDO. In San Joaquin County, ACLC has been the only CHDO that has been certified, and thereby eligible to use the funds. According to the County, who administers the funds, CHDO funds have been used in just about every jurisdiction in this County except Lodi, and that they are likely to require that the funds be used on a Lodi project before they can be used anywhere else.

Once funds were allocated in the 2006/07 CDBG Program year, Staff went about preparing a Request for Proposals (RFP) to be circulated amongst available affordable housing developers. It was during that time also when a local developer showed interest in this project site for senior housing. Public response to senior housing at that specific location questioned whether it was a suitable location due to the amount of crime in that area and the lack of available grocery shopping in that immediate area. There was also subsequent comment and discussion on whether affordable rental housing should be included in a project in that neighborhood.

In the RFP, Staff identified a preference for owner-occupied housing, but remained open as to the type of ownership housing that could be considered and required proposals to include the rationale for the type of housing included in their proposal. It was also recognized that the type of housing proposed depended largely upon what was feasible for their organization and upon the availability of various funding sources.

The RFP, which is attached as Exhibit A, was distributed to 13 developers identified as known affordable housing developers from the Sacramento, San Joaquin, Tri-Valley and Bay area regions. The distribution list is attached as Exhibit B. An emphasis was placed on the developers experience in affordable housing development, their financial and organizational capability to obtain financing, their construction management and most importantly, with on-going management of senior and rental housing projects. Should their proposal include rental housing, it is imperative that they demonstrate an ability and history of not only building quality projects, but also managing and maintaining the quality properties.

The following 3 developers responded to that RFP, with a total of 5 different versions amongst them.

- Visionary Housing (formerly ACLC)
- Eden Housing
- The PAM Companies

The variations in each proposal provide for a comparison of projects with mixes of owner-occupied, senior housing and rental housing. Staff is in the process of evaluating each of those proposals, determining gaps in the financing, likelihood of obtaining State and Federal funding and background of each firm.


Staff intends on bringing that evaluation back to the Council at an informational meeting. If Staff is able to identify a feasible proposal, a recommendation to enter into an exclusive agreement for the project would be brought back for Council action. A tentative time line is as follows:

April 2007	City Council Shirtsleeve
May 2007	City Council Meeting (Action)
Oct/Nov. 2007	End of Negotiations
Dec. 2007/Jan. 2008	Close Escrow
Mid 2008	Start Construction
Early 2009	Occupancy

It should be noted that action to acquire these properties from the railroad for an affordable housing project is contingent upon Staff determining that there is a feasible and acceptable proposal. Should it be determined that none of the proposals are acceptable, the City would need to identify if there are any other uses that would justify the acquisition of these properties and whether there are funding sources to accomplish that.

FISCAL IMPACT: None.

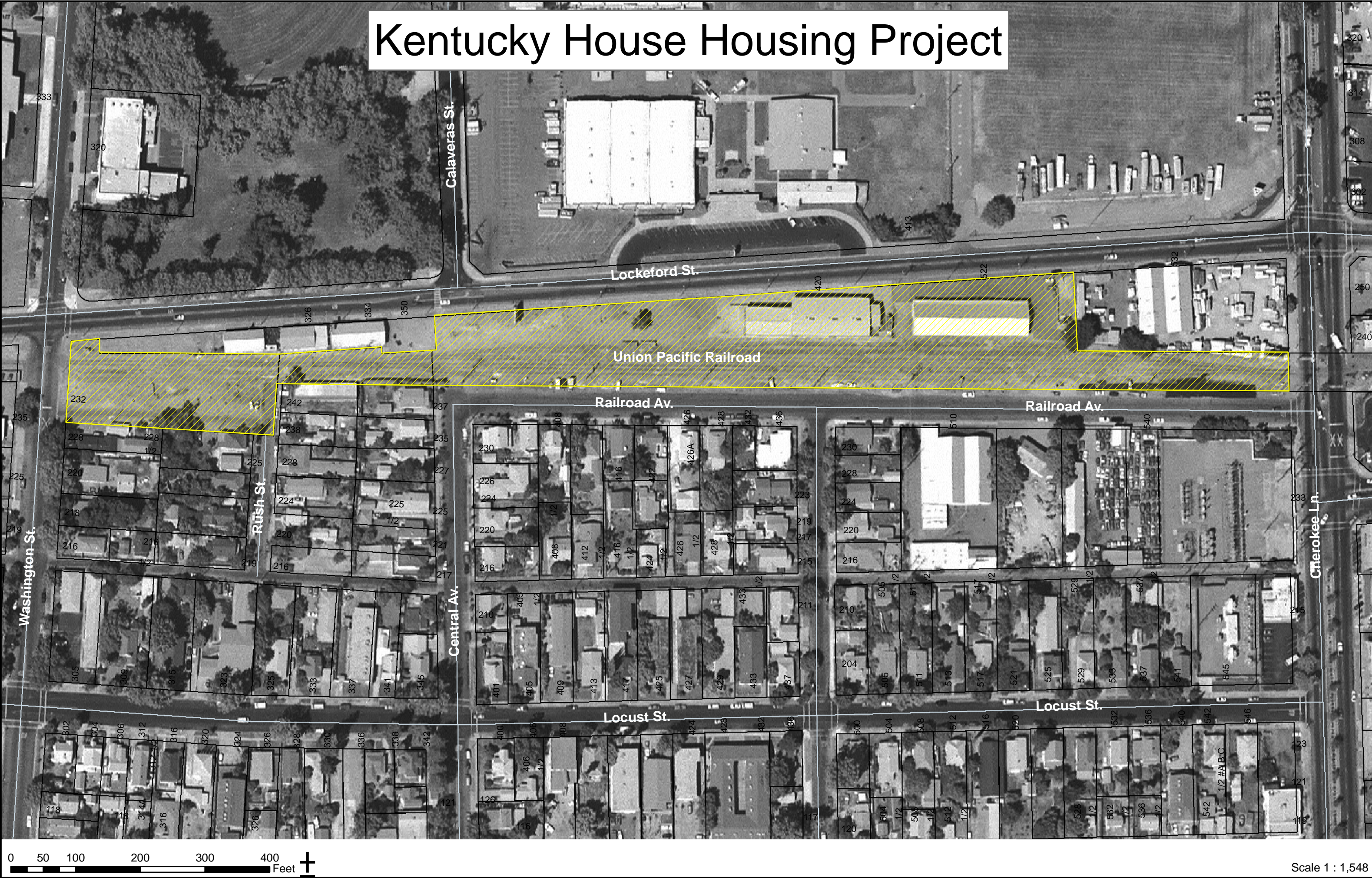
FUNDING AVAILABLE: Not Applicable.


Randy Hatch, Community development Director

JW/kjc

Attachments

Kentucky House Housing Project



**REQUEST FOR PROPOSALS
FOR KENTUCKY HOUSE AFFORDABLE HOUSING
DEVELOPMENT PROJECT**

October 2006

Introduction: This is a request for proposals to develop innovative affordable housing on a site of the abandoned Kentucky House Railroad line that is to be purchased by the City of Lodi from the Union Pacific Railroad. The City's key objectives for the project include community compatibility; ownership affordability targeted primarily to the 80% of median income level or below; high quality design and materials; and sustainable design. The City is seeking proposals that demonstrate strong experience with affordable housing development and show a collaborative approach to working with the community.

City of Lodi: Extensive information on the City can be found on the City's web site, located at www.lodi.gov. A number of documents relating to Planning and Land Use such as the Housing Element of the General Plan, as well as a Community Overview & Economic Profile may be found on the Community Development Department page of the web site.

Project Site: The subject property consists of the following 3 parcels with a gross area of 4.857 acres or 211,577 square feet.

APN	Assessor's Gross Area (SF)	Assessor's Gross Area (Acres)
043-202-29	164,657	3.78
043-087-17	34,891	0.801
043-090-13	<u>12,029</u>	<u>0.276</u>
Total:	211,577	4.857

All of the subject parcels have public services available (sewage and water). Telephone is provided by Pacific Bell, natural gas is provided by PG&E, and the City of Lodi Electric Utility provides electricity.

General Plan and Zoning: The General Plan and the Zoning designations for the subject property is currently M-1 Light Industrial.

APN 043-202-29: is irregularly shaped with approximately 1,040 feet of frontage along Lockeford Street, 1,345 feet along Railroad Avenue and 60 feet of frontage along Cherokee Lane. The site is improved with curb and gutter along Cherokee Lane. Public services (sewage and water) are available to the site from Lockeford Street. The site is not at grade with the adjacent Railroad Avenue. There are industrial buildings that front onto Lockeford Street that are currently used on a seasonal basis. The industrial buildings may remain and the subdivision of the lot could create a separate parcel(s) for these industrial buildings, and residential parcels along the Railroad Avenue frontage, or the industrial buildings may be removed as part of the proposal and the entire site used for residential.

APN 043-090-13: is rectangular shaped and at grade with the adjacent land areas. This property does not have any Lockeford Street frontage. There is access to the site from Rush Street. Public services (sewage and water) are available to the site from Lockeford Street. The extension of the right-of-way north of Central Avenue would be acceptable but not a condition of any new development, however, pedestrian access along the extension of Central Avenue to Lockeford Street is a requirement. There are no improvements on this site. Adjacent to the site are an industrial building to the north and an abandoned multi-family dwelling to the south.

APN 043-087-17: is generally rectangular shaped and at grade with the adjacent Rush, Lockeford and Washington Streets. Public services (sewage and water) are available to the site from Lockeford Street. The site has approximately 100 feet of frontage on Rush Street, approximately 100 feet of frontage on Washington Street and

approximately 30 feet of frontage on Lockeford Street. There are no improvements on the site. Adjacent to the site are an industrial building to the north, and two parcels with multi-family dwellings to the south that require an easement across this parcel to access one or more of the units.

Project Intent

The site(s) will be purchased by the City of Lodi with funds that can only be used for affordable housing purposes. The City wished to use its financial resources in a cost effective manner, and to leverage its funds as necessary with funding provided from other sources. The objective of the project is to address the need for affordable housing identified by the recently-adopted Housing Element. Generally, within the context of the development program ultimately adopted by the City, as well as the site, zoning, infrastructure, environmental, design, and financing program constraints, maximizing the number of units that will help achieve Housing Element objectives is desired.

Site and Development Standards Information

Infrastructure Issues

Development of the property will require extending water, sewer, storm drainage and other utility services to the properties. Depending upon the circulation plan for the development, public street improvements of varying extent will be required. Improvements to existing streets fronting the property will include up to 34 feet or to the centerline (whichever is less) consisting of curb, gutter, sidewalk, pavement and related public improvements, as required by the Public Works Department.

The City is considering maintaining an open right-of-way across one of these parcels, in line with N. Central Avenue where it intersects with Railroad Avenue. It is a requirement to maintain at least a pedestrian right-of-way that connects with Lockeford Street, to provide access to a school and park to the north.

Subdivision and Other Permits Necessary

The site currently consists of 3 parcels. A subdivision will be necessary to create additional ownerships. Subdivisions require a public hearing before the Planning Commission. If a Planned Community Rezone is proposed, a PC rezone, Development Plan or a Use Permit can be considered in tandem with the subdivision application. Multi-family projects will also require Site Plan and Architectural Review, which is typically performed after subdivision approval, before a separate, quasi-administrative body.

Development Program

Below are listed key elements of a development program for the site. Proposals should be responsive to each of the elements listed. It is anticipated that detailed requirements in each area will be addressed in an agreement developed through discussions with the selected developer.

- **Density and other development standards.** In regards to density and other aspects such as height, setbacks, lot coverage, etc., refer to the parameters of the proposed Planned Community Zoning Ordinance.
- **Community compatibility.** The development should be compatible with the scale and character of the city of Lodi and the community context. Proposals should reflect careful evaluation of the neighborhood context and include a conceptual design concept that can integrate well with neighborhood uses. In addition to a conceptual site plan and conceptual building design, proposals shall provide a narrative regarding the design approach.
- **Tenure types.** The Kentucky House site shall be targeted to provide owner-occupied housing. The City is open as to the type of ownership housing, including, but not limited to, self-help housing, co-housing, condominiums, use of a land trust, limited-equity cooperatives, or other mechanisms. Proposal shall identify

the preferred type of housing and provide a rationale for the proposal. It may be possible to target rental housing for seniors only.

- **Income levels.** The project shall primarily target incomes up to the 80% level, with up to 25% of units potentially provided at up to the 100% of median income level. Proposals shall identify how these affordability levels are to be achieved.
- **Age or other restrictions.** An ownership project is assumed to be primarily family-type housing. However, the City has a desire for some range in unit types and marketing to accommodate seniors, disabled persons, or small households. Proposals shall describe how this range will be achieved by the proposal.
- **Sustainability.** The City is placing a significant emphasis on sustainability and is seeking proposals that exemplify cost-effective techniques to achieve this objective. This should include site planning that responds to solar considerations, storm water retention and flow and other environmental factors, use of “green” building materials, use of energy-efficient appliances, low water use landscaping, and building design and operational factors that minimize energy use and resource consumptions as well as avoiding indoor health impacts. Proposals shall include a narrative on how the proposal addresses these issues.
- **Site features.** The site plan is required to include a pedestrian route through the property to the north of Central Avenue to connect to Lockeford Street, as this is a major pedestrian thoroughfare for children going to and from Lawrence School to the north and for families accessing nearby Lawrence Park. The design of the pedestrian route should consider safety as well as aesthetics. In addition to a conceptual site plan and preliminary building design, proposals should include a narrative describing the rationale for how this issue will be addressed.
- **Design features.** The City places a significant emphasis on high quality design and materials. The City is open to use of non-traditional or recycled building materials that comply with the Building Code. In addition, a major emphasis is placed on features that promote community within the development, and in relation to the neighborhood context. Provision of community space or other features should be considered. Further, the development should foster connections with the neighborhood rather than being separated or isolated. The City is not favorable to a gated community at this location. The City also wishes to promote design that creates accessible and adaptable units. In addition to a conceptual site plan and preliminary building design, proposals should include a narrative describing the rationale for how these issues will be addressed.
- **Affordability.** Mechanisms will be required to be in place that would ensure affordability. Prospective developers shall propose specific programs to achieve this objective, provide a rationale for same, and indicate experience with the proposed method.
- **Management.** Demonstrated experience with affordable housing development is a critical element. It will be essential for developers to show financial and organizational capability, have proven experience with community processes, with obtaining financing, with construction management, and with ongoing management. A narrative shall be provided that addresses these issues.
- **Community process.** In addition to any required permit processing procedures and hearings, the City expects the selected developer to perform outreach to the site neighborhood to develop understanding of neighbor issues, to promote an open communication process, and to develop a final project proposal that responds to concerns. A narrative should be provided that describes the planned approach to this issue, as well as experience that the developer has had with this type of process.
- **City financial participation.** The City will subsidize the development up to \$1,200,000 with specific amounts depending on the needs of the project, and to be identified at a later stage in the process. The City is open to considering provision of predevelopment funding. Within these parameters, proposals shall indicate the approximate necessary City subsidy, identify planned sources of any additional necessary financing or subsidy, and indicate whether a need for predevelopment funding is anticipated, and if so, its approximate amount.

Required Proposal Elements

Please organize the proposal in the following manner:

1. Cover Letter
2. Narrative of organization's approach responding to each element of the City's program.
3. Conceptual Project Schedule.
4. Specific Site Information.
5. Experience of Firm.
6. Experience of Development Team.
7. Project Financing and Total Development Cost.

COVER LETTER (one page maximum)

- Explain why your firm should be chosen for this project.
- Provide a short summary of what your firm would like to accomplish on the site, including the number of units, tenure, type of construction and any exceptional conditions which should be considered by the City.
- Explain the funding requested from the City of Lodi and reasons for this request.

NARRATIVE OF ORGANIZATION'S APPROACH RESPONDING TO EACH ELEMENT OF THE CITY'S PROGRAM

- Summarize how the firm will approach this project if selected.
- Respond to each identified major program element in this RFP.

CONCEPTUAL PROJECT SCHEDULE

- Provide a chart showing conceptual development timeline including:
 - Financial commitments.
 - Design, entitlement, and other pre-construction issues.
 - Construction.
 - Sale/occupancy.

SPECIFIC SITE INFORMATION

- Provide a conceptual site plan, showing placement of access, buildings, and parking.
- Provide a conceptual building design showing approximate building height, number of floors.
- Provide a narrative summary of significant site planning and design features proposed.

EXPERIENCE OF FIRM

- Describe the firm's experience in financing affordable housing developments.
- Descriptions of up to five recent affordable housing developments developed by the firm.
- Describe the firm's experience in the development and marketing of ownership housing projects.
- Provide references from area public and/or private housing and development agencies (agency, name and title, telephone number).

EXPERIENCE OF DEVELOPMENT TEAM

- Describe the development entity and identify the members with names, addresses, and phone numbers of key representative of each entity. Provide relevant qualifications and project specific experience or the principals of the developer team. Identify person or persons with the authority to represent and make legally binding commitments on behalf of the team.
- Describe the development team's experience in successfully developing affordable housing on infill sites in cities like Lodi.
- Describe the development team's track record in the design and construction of housing projects within budget and on schedule.
- Describe experience with "green building" development.
- Identify at least two contacts that have provided the developer with financing of the magnitude required for the proposed development. Provide name and title, company, address and telephone numbers.

PROJECT FINANCING AND TOTAL DEVELOPMENT COST

- Describe how your firm will determine funding sources to apply for and coordinate the timing of entitlements and construction with funding.
- Provide information on all types of financing proposed and the amount of each that the developer plans to utilize to construct this project.
- Provide financial information regarding sales prices, homeownership costs (PITI), and affordability to targeted income households.
- Provide breakdown of soft costs and total costs.
- Include rationale for any requested amount from City for gap financing.
- Include cost per unit to construct.
- Identify any loans on which the firm has defaulted during the last five year.
- What financial contingency does your firm have should any of the funding sources fail to provide anticipated financing?

SELECTION PROCESS

The selection process will involve several phases.

- Phase One:** A review team will evaluate developer submittals. In addition to staff, this team will likely include members of the City Council and may include other members. The initial review will determine conformance to submission requirements and whether proposals meet minimum criteria established. Review will include the financing plan and completeness of submissions. Experience in development of comparable projects will be considered and as will demonstrated ability of the development team to deliver a quality project.
- Phase Two:** Interview of most qualified applicants.
- Phase Three:** Evaluation team will check references given and may visit sites developed.
- Phase Four:** At this phase, the City may request additional information from the most qualified developers. The review team will then make a selection recommendation to the full City Council.
- Phase Five:** Upon selection of a developer, agreed-upon funds from the City will be reserved for this project for a specific amount of time. The City will enter into exclusive negotiations leading to various agreements. When the developer meets all conditions of the agreement, City's financial documents will be executed.

Phase Six: Upon selection of a developer, agreed-upon loan funds from the City will be reserved for this project for a specific amount of time. The City will enter into exclusive negotiations leading to various agreements. When the developer meets all conditions of the agreements, City's financial documents will be executed.

EVALUATION CRITERIA FOR QUALIFICATIONS

Submittals will be evaluated based upon the following criteria:

- Completeness of the proposal relative to RFP requirements.
- Responsiveness to the City's development program.
- Demonstrated experience of the developer in the successful development, operation and economic performance of urban infill, affordable housing projects of comparable size, scale and complexity.
 - Ability of the developer to implement high quality affordable housing development projects on time and at budget.
 - Prior experience and success in marketing and programming for the use proposed by the City.
- The developer's proven ability to access funding resources to develop and complete projects of comparable or larger size.
- The quality of the architectural aspects of the developer's previous projects.
- The responsiveness of the conceptual design to neighborhood compatibility issues, access/circulation, integration of sustainable materials and approaches, and aesthetics.
- Experience in working with the public sector in public/private real estate development projects, willingness to engage in public outreach efforts to affected residents, property owners and to the local business community, pro-active plan to engage with local community in the development review process.
- Establishment of clear lines of responsibility within the developer team on which the City can rely during negotiations and implementation of the project.
- Other factors as appropriate.

NOTICE OF DEVELOPERS

This Request for Proposals represents the initial step in soliciting proposals for qualified developers. Responses to the RFP should demonstrate the developer's specific expertise in developing a quality-housing product. Developers should assume that the City will deliver the site for sale or long-term lease.

The selected developer will be responsible for obtaining all required approvals for the project. However, the City will designate a project manager to work closely with the developer during the development process, including permitting and public review. The project manager will help to coordinate with all City departments and applicable City commissions.

This RFP and selection process shall in no way be deemed to create a binding contract or agreement of any kind between the City and any candidate. If the City selects a developer, it is expected that a Disposition and Development

Agreement (DDA) or ground lease with an Owner Participation Agreement (OPA) will form the basis of the contract between the parties.

All legal rights and obligations between the successful candidate, if any, and the City will come into existence only when an Agreement is fully executed by the parties, and the legal rights and obligations of each party shall at that time be only those rights and obligations which are set forth in the agreement and any other documents specifically referred to in that agreement and executed by the parties.

Each candidate submitting a proposal in response to this RFP agrees that the preparation of all materials for submittal to the City and all presentations are at the candidate's sole cost and expense, and the City shall not, under any circumstances, be responsible for any costs or expenses incurred by the candidate. In addition, each candidate agrees that all documentation and materials submitted with a proposal shall remain the property of the City.

Submittals are public records subject to disclosure under the Public Records Act. Required financial data should be submitted in a separate transmittal. The City will attempt to protect such financial data from disclosure.

The City reserves the right to accept or reject any or all proposals and to issue a new RFP at any time.

HOLD HARMLESS

At and from the date hereof, the Applicant agrees to defend, indemnify, and hold the Community Development Department, and the City of Lodi, harmless from any and all claims or lawsuits that may raise from the Applicant's activities under the provision of this Agreement, that are attributable to the negligent or otherwise wrongful acts or omissions, including breach of specific contractual duties of the Applicant or of the Applicant's independent contractors, agencies, employees or delegates.

MATERIAL REQUESTED

Interested developers must submit nine (9) copies of their proposal with all required information. The proposal must be submitted in a sealed envelope by **4:00 p.m., on December 18, 2006.** Please submit to:

**Joseph Wood
Community Improvement Manager
City of Lodi Community Development Department
221 W. Pine Street
Lodi, CA 95240**

Any questions should be directed to **Community Improvement Manager Joseph Wood at (209) 333-6823 or Community Development Director Randy Hatch at (209) 333-6714.**

THERE WILL BE A PRE-PROPOSAL MEETING AT THE SITE ON THURSDAY, NOVEMBER 30, 2006 AT 10:00 am. THIS IS SUGGESTED FOR ALL DEVELOPERS PLANNING TO SUBMIT A PROPOSAL.

Late response will not be accepted unless waived or modified by the City, at its sole discretion. Facsimile or electronic transmissions of proposals will not be accepted. The City, following review of the initial submission, may request additional information.

Attachments

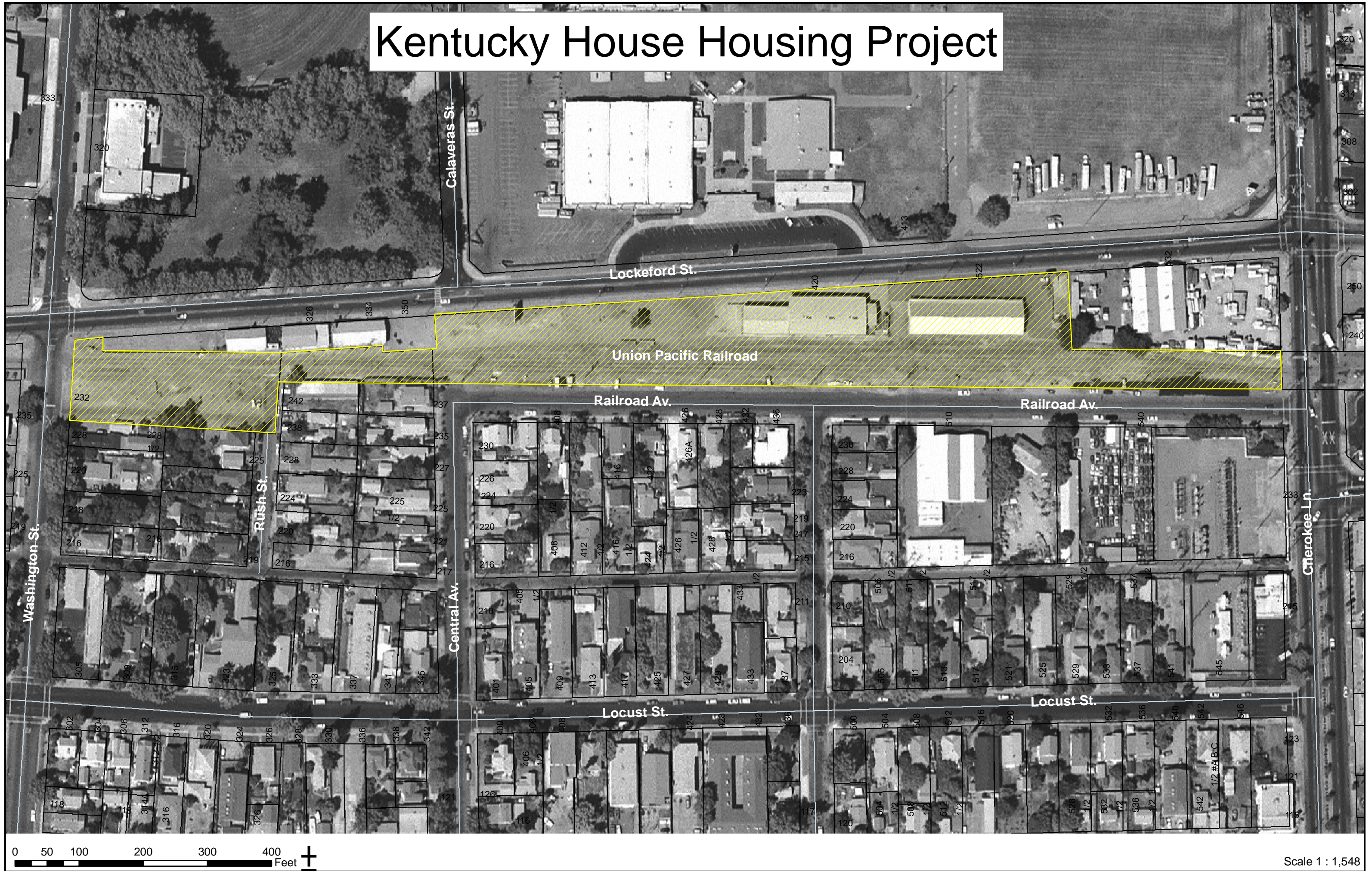
Street map excerpt
Air photo excerpt
Assessor's map

AFFORDABLE HOUSING RFP DISTRIBUTION LIST

Updated 10/10/06

Company	Contact	Address	City	State	Zip
Mid-Peninsula Housing Coalition	Fran Wagstaff, Exec. Director	658 Bair Island Rd. Suite 300	Redwood City	CA	94063
Visionary Home Builders of California	Attn: Carol Ornelas	315 N. San Joaquin St.	Stockton	CA	95202
Eden Housing	Attn: Jeff Bennett	409 Jackson Street	Hayward	CA	94544
Housing Authority of the County of San Joaquin	Development Department	421 S. El Dorado St. Suite 2A	Stockton	CA	95202
Mercy Housing California	Attn: Steven Dawes	3120 Freeboard Dr. Su. 202	West Sacramento	CA	95619
Northern California Land Trust		3126 Shattuck Avenue	Berkeley	CA	94705
PAM Development	Attn: Michael L. Boettger	PO Box 1570	Lodi	CA	95241
Habitat for Humanity – Lodi	Attn: Marilyn Fields	624 Palm Ave.	Lodi	CA	95240
Citizens Housing Corporation		26 O’Farrell St. Suite 600	San Francisco	CA	94108
Bridge Housing Inc.		345 Spear St. Suite 700	San Francisco	CA	94105-1673
Affordable Housing Associates		1250 Addison St. Suite G	Berkeley	CA	94702
Allied Housing Inc		22245 Main St. #204	Hayward	CA	94541
Orange Housing Development Corp.	Attn: Eunice Bobert	414 E. Chapman Ave	Orange	CA	92866
Union Pacific Railroad	Rod Peterson Senior Manager – Real Estate	1400 Douglas Street, Stop 1690	Omaha	NE	68179-1690
Gary D. & Nancy E. Herd		PO Box 488	Woodbridge	CA	95258

Kentucky House Housing Project



affordable to each income group. The regional housing needs objective addresses the City' s ability to accommodate housing based on the availability of appropriately zoned vacant and underutilized land, with public services and facilities. These homes may or may not be built depending on market trends and the availability of funding assistance to developers of affordable housing. (Note: we need to try to use the same time period for the table below.)

Table IV-2: Quantified Objectives: January 1, 2004 – June 30, 2009

Income	Accommodate Regional Share'	New Construction ²	Homebuyer Assistance	Housing Rehab. ³	Conservation of Affordable Housing	
					Rental Housing ⁴	Mobilehomes ⁵
Very Low	990	150	5	1,000	40	400
Low	664	150	25			
Moderate	738	400	25		--	
Above Moderate	1,622	2,250	--		--	--
Total	4,014	2,700	50		40	400

1. Quantified objectives are for the 2001 - 2009 San Joaquin County Housing Allocation Plan
2. Quantified objectives cover 2001 - 2009, based on anticipated market rate housing production (for moderate- and above moderate-income), availability of financial resources to assist in the construction of very low- and low-income housing, 25 non-rent restricted second units will be constructed that are affordable to low-income households, and five very low-income units constructed through nonprofit self-help programs
3. Based on historic rate of **code enforcement and housing rehabilitation** and anticipated availability of state and federal funding between 2003 and 2009, **This is a combined housing rehabilitation code enforcement objective.**
4. Based on the conservation of 40 existing subsidized rental housing units
5. Based on the number of mobilehomes in parks with 50 or more spaces; although the majority of mobilehome park residents are likely to have very low- or low-incomes, the City does not have specific information on the income levels of mobilehome park residents